

IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF HAWAII

SPORTS SHINKO CO., LTD.,)	CV 04-00124 BMK
)	CV 04-00127 BMK
Plaintiff,)	
)	CONSOLIDATED CASES
vs.)	
)	
QK HOTEL, LLC, et al.,)	DECLARATION OF
)	STEVEN DOUGLAS
Defendants,)	SEARS
)	
and)	
)	
FRANKLIN K. MUKAI, et al.,)	
)	
Third-Party)	
Plaintiffs,)	
)	
vs.)	
)	
SPORTS SHINKO (USA) CO.,)	
LTD., et al.,)	
)	
Third-Party)	
Defendants,)	
)	
and)	
)	
SPORTS SHINKO (HAWAII))	
CO., LTD., et al.,)	
)	
Third-Party Defendants/)	
Counterclaimants,)	
)	

vs.)
)
QK HOTEL, LLC, et al.,)
)
Third-Party Counterclaim)
Defendants.)
)
AND CONSOLIDATED CASES)
)
_____)

DECLARATION OF STEVEN DOUGLAS SEARS

I, Steven Sears, being duly sworn under oath,
declare as follows:

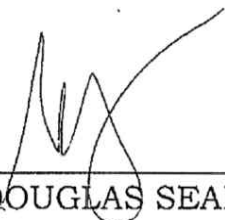
1. I make this Declaration based on personal knowledge and I am competent to testify to the matters set forth in this Declaration.
2. I am the director and president of Sports Shinko (Waikiki) Corporation ("SSW"). In that capacity, I am familiar with the current status of the intercompany debt between Sports Shinko Co., Ltd. ("SS Japan") and SSW.
3. The June 1990 SS Japan loan to SSW, has not been assigned, forgiven or otherwise cancelled by either

SS Japan or by South Wind Realty Finance (Cayman)

Company. I confirm that loan is a valid, subsisting debt.

*I declare under penalty of perjury that the foregoing
is true and correct.*

Executed in Tokyo, Japan on August 24, 2007.



STEVEN DOUGLAS SEARS